



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Pension Fund Fiscal Note 2011 Biennium

Bill # HB0059

Title: Generally revise retirement laws to comply with federal changes

Primary Sponsor: Hamilton, Robin

Status: As Introduced

Retirement Systems Affected: ☒ Teachers ☐ Public Employees ☐ Highway Patrol ☐ Police
☐ Sheriffs ☐ Firefighters ☐ Volunteer Firefighters ☐ Game Wardens ☐ Judges

- ☒ Has this legislation been reviewed by the legislative interim committee?
- ☒ Has the cost of this legislation been calculated by the system's actuary?
- ☒ Does this legislation include full funding for any benefit revisions?

	July 1, 2008 Current System	July 1, 2008 With Changes	Increase/ (Decrease)
Actuarial Accrued Liability	\$3,953,700,000	\$3,953,700,000	\$0
Present Value of Actuarial Assets	\$3,159,100,000	\$3,159,100,000	\$0
Unfunded Actuarial Accrued Liability (UAAL)	\$794,600,000	\$794,600,000	\$0
Amortization Period (years) of UAAL	31.3	31.3	0

	July 1, 2008	July 1, 2009	July 1, 2010	July 1, 2011	July 1, 2012
Employee Contribution Rate	7.15%	7.15%	7.15%	7.15%	7.15%
Employer Contribution Rate	7.47%	7.47%	7.47%	7.47%	7.47%
State Contribution Rate	2.11%	2.49%	2.49%	2.49%	2.49%
TOTAL Contribution Rate	16.73%	17.11%	17.11%	17.11%	17.11%

FISCAL SUMMARY

	FY 2010 Difference	FY 2011 Difference	FY 2012 Difference	FY 2013 Difference
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

House Bill 59 is a housekeeping, general revision bill, making administrative and/or clarifying changes to the Teachers' Retirement System (TRS) laws. Many of the amendments are necessary to comply with the Pension Protection Act of 2006 and/or are required to comply with the Internal Revenue Service's regulations governing qualified plans.

FISCAL ANALYSIS**Assumptions:**

1. This bill does not change any of the benefit or membership requirements and therefore, has no fiscal impact to the Teachers' Retirement System.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date